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First Direct Shipment of US Beef and Pork Arrives in Shanghai

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Approved by:

LaVerne E. Brabant

US Consulate General, Shanghai

Prepared by:

Wade Sheppard

Report Highlights:

On April 4, the first direct shipment of US beef and US pork to China intended for retail sale arrived in Shanghai. The shipment, consisting of approximately 700kgs of frozen beef middle meats, frozen pork ribs, and pre-cooked pork patties, was imported by City Supermarket Company Limited, a Shanghai based retailer and catering company specializing in imported food products. Their General Manager, Mr. Cui Yixiong, expected that the product would reach retail shelves by April 6.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Shanghai ATO [CH2], CH

First direct shipment of US beef and US pork arrives in China

On April 4, the first direct shipment of US beef and US pork to China intended for retail sale arrived at Shanghai's Pudong International Airport. The shipment, consisting of approximately 700kgs of frozen beef middle meats, frozen pork ribs, and pre-cooked pork patties, was imported by City Supermarket Company Limited, a Shanghai based retailer and catering company specializing in imported food products. Their General Manager, Mr. Cui Yixiong, expected that the product would reach retail shelves by April 6.

China's Ministry of Agriculture (MOA), Ministry of Foreign Trade and Economic Cooperation (MOFTEC) and the State Administration for Entry-Exit Inspection and Quarantine (CIQ) issued joint circulars on March 22, officially informing all Chinese port and quarantine officials that the *Agreement on US-China Agricultural Cooperation* is effective immediately. Under the agreement, which was originally signed April 10, 1999, US meat and poultry products, wheat, and citrus are now permitted by the Chinese government for direct importation for sale in normal retail and wholesale channels to the general population. Previous rules limited US beef and poultry sales to luxury hotels and food processors. According to the CIQ official who inspected the shipment, this is the first time that US pork has ever been allowed into China.

It is estimated that China's accession to WTO could lead to \$2 billion in additional farm exports to China by 2005. Pending China's WTO accession and Congressional approval of Permanent Normalized Trade Relations (PNTR), US exporters of food and agricultural products will benefit from lower tariffs as well, making their products more price competitive in one of the largest and fastest growing consumer markets in the world.